



**Ankeny City Council
FY 2018 Budget Workshop
January 30, 2017**



Agenda

1. Hotel/Motel Tax Fund Summary
2. General Fund Summary
 - Fund Balance Summary
 - Revenue Summary
 - Revenue Summary by Source
 - Expenditure Summary by Type
 - Expenditure Summary by Program
3. Road Use Tax Fund Summary
 - Cash Flow Model
4. Police & Fire Retirement Fund Summary
5. Water Cash Flow Model
6. Sewer Cash Flow Model
7. Storm Water Cash Flow Model
8. Solid Waste Fund Summary



General Fund



General Fund Overview

- General Fund budget development includes the following:
 - Maintains cash balances within the City's financial policy
 - Provides a transfer of \$1,000,000 to the Capital Projects Reserve Fund
 - Represents a balanced budget
 - Proposes no change in the general levy
 - \$6.79 – General Levy
 - \$0.15 – Aviation Authority Levy



Projected General Fund Revenues

Revenue by Type	2016-17 Revised	2017-18 Budget	Dollar Difference	Percentage Difference
Property Taxes	\$ 18,314,424	\$ 19,680,278	\$ 1,365,854	7.46%
Non-Property Taxes	3,170,334	3,240,678	70,344	2.22%
Licenses and Permits	2,172,400	1,609,500	(562,900)	-25.91%
Use of Money and Property	477,000	471,922	(5,078)	-1.06%
Intergovernmental Revenue	1,096,360	1,438,636	342,276	31.22%
Service Charges	3,173,198	3,174,516	1,318	0.04%
Special Assessments	1,000	1,000	-	0.00%
Miscellaneous	640,000	605,600	(34,400)	-5.38%
Total Revenues	\$ 29,044,716	\$ 30,222,131	\$ 1,177,415	4.05%

- Total revenues increase by \$1,177,415
- Property taxes increase by \$1,365,854
- Licenses and permits decrease by \$562,900
- Intergovernmental revenues increase by \$342,276



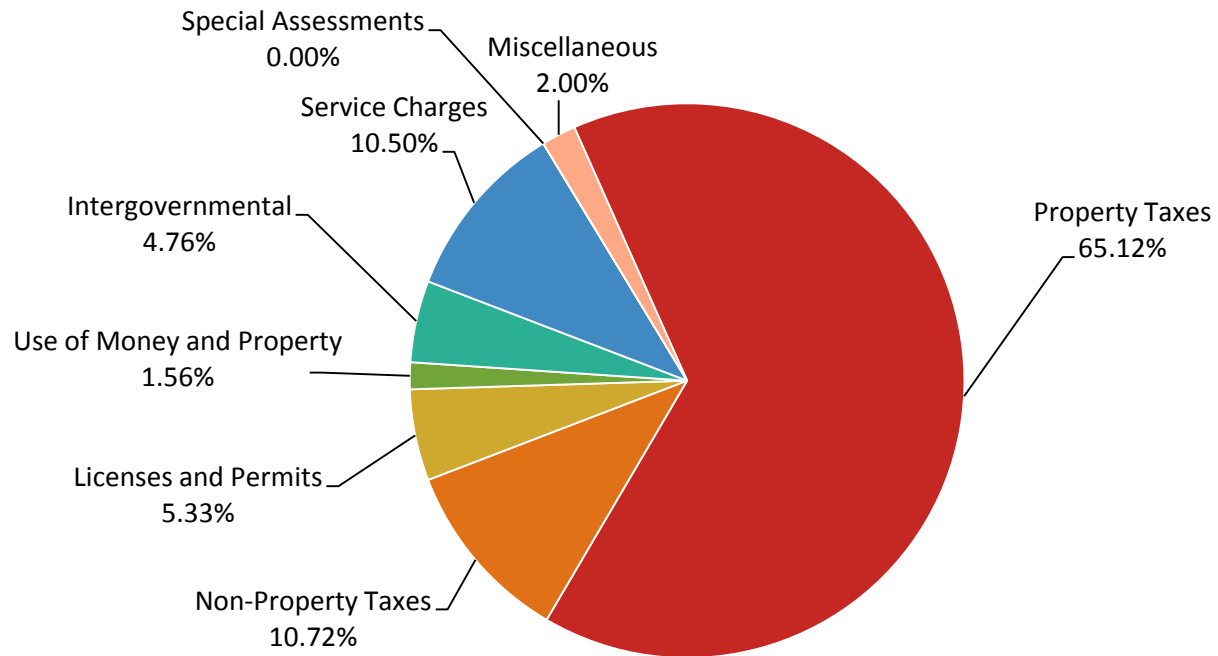
State Backfill

- Intergovernmental revenue includes state backfill estimated at \$618,364 for FY 2018
- Backfill is capped statewide at the FY 2017 appropriation, resulting in a proration estimated at 96 percent for FY 2018

Fund	Backfill Amount	Tax Rate Equivalent
General Fund	\$ 618,364	0.21604
Police & Fire Retirement Fund	49,897	0.01743
Debt Service Fund	369,771	0.11863
	\$ 1,038,032	0.35210



Revenue Summary





Projected General Fund Expenditures

Expenditure by Type	2016-17 Revised	2017-18 Budget	Dollar Difference	Percentage Difference
Personal Services	\$ 18,742,468	\$ 20,920,129	\$ 2,177,661	11.62%
Contractual Services	4,292,489	4,550,446	257,957	6.01%
Commodities	1,792,503	1,809,668	17,165	0.96%
Capital Outlay	763,280	596,140	(167,140)	-21.90%
Debt Service	82,097	65,382	(16,715)	-20.36%
Total Expenditures	\$ 25,672,838	\$ 27,941,765	\$ 2,268,927	8.84%

- Total expenditures increase by \$2,268,927
- Personal services increase by \$2,177,667
 - Includes 9.18 new FTE
 - Incorporates classification and compensation study recommendations
- Contractual services increase by \$257,957
 - Gym usage agreement
 - Replace roof over apparatus bay at Fire Station No. 1
 - Website redesign
 - Update Parks and Facilities Comprehensive Plan (Strategic Plan)
 - Targeted area revitalization plan for South Ankeny Boulevard corridor (Strategic Plan)
- Commodities increase by \$17,165
- Capital outlay decrease by \$167,140
- Debt service decrease by \$16,715



Personnel Changes

Addition of Permanent Positions

9.43 Full-Time Equivalents (FTE) – Total Added Permanent Positions

Position	FTE	FT/PT	Budget Activity
Police Officer (SRO)	2.00	FT	Police Support
Captain – 03/01/18	3.00	FT	Fire Suppression
Combination Inspector II	1.00	FT	Code Enforcement
Combination Inspector I	0.43	PT	Code Enforcement
Code Enforcement Officer I	1.00	FT	Code Enforcement
Facilities Maintenance Technician	1.00	FT	Park Maintenance
Civil Engineer I	1.00	FT	Development Engineering

Elimination of Permanent Positions

0.25 Full-Time Equivalents (FTE) - Total Eliminated Permanent Positions

Position	FTE	FT/PT	Budget Activity
Intern	(0.25)	PT	Emergency Medical Services

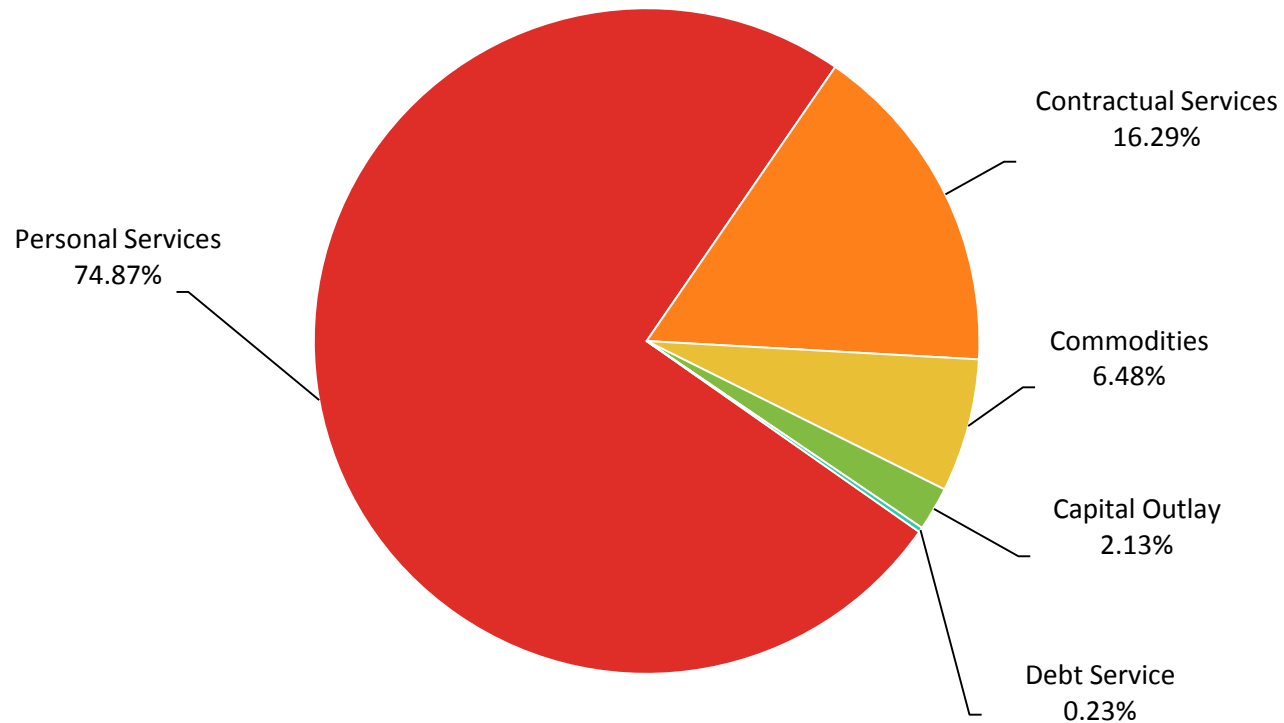
Promotion of Permanent Positions

No Change in Full-Time Equivalents (FTE)

Current Position	FT/PT	Proposed Position	FTE	FT/PT	Budget Activity
Police Officer	FT	Police Officer – Detective	1.00	FT	Police Support
Firefighter/Paramedic – 09/01/17	FT	Lieutenant	3.00	FT	Fire Suppression
Firefighter/Paramedic – 09/01/17	FT	Engineer	3.00	FT	Fire Suppression
Firefighter/Paramedic	PT	Firefighter/Paramedic	3.00	FT	Emergency Medical Services

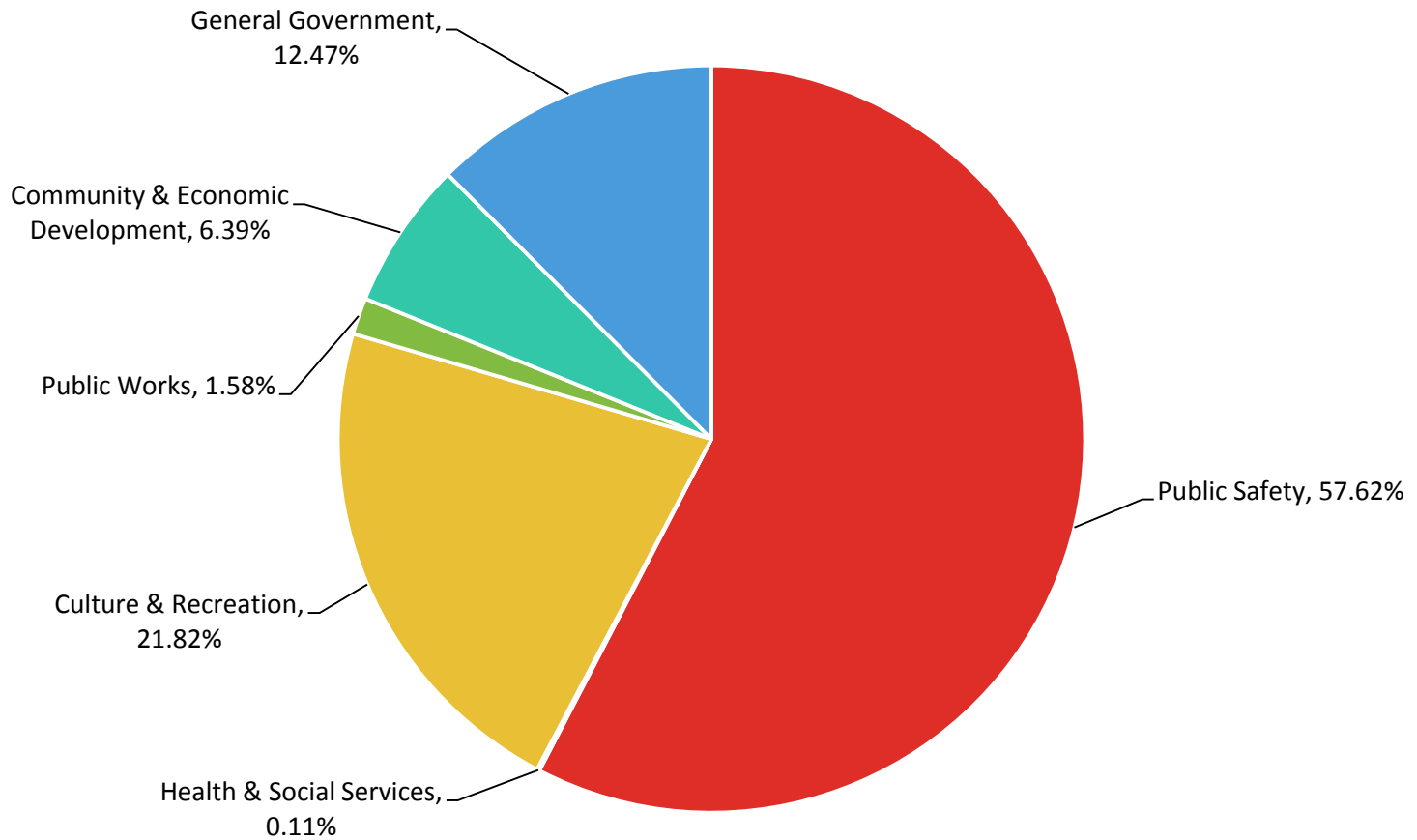


Expenditure Summary by Type





Expenditure Summary by Program





Transfers In & Transfers Out

Transfers In:

From	Description	Amount
Hotel/Motel Tax Fund	Summer Sounds	\$ 10,000
Hotel/Motel Tax Fund	Prairie Ridge Sports Complex - O&M	180,000
Sewer Fund	Economic Development (1/3)	129,649
Sewer Fund	Administrative Support	200,000
Water Fund	Economic Development (1/3)	129,649
Water Fund	Administrative Support	200,000
		\$ 849,298

Transfers Out:

To	Description	Amount
Capital Projects Fund	Prairie Ridge Sports Complex - Drainage	\$ 76,000
Capital Projects Fund	P&R Lease - Abate Debt Service Payments	89,000
Capital Projects Fund	Older Parks Renovation Plan	290,000
Capital Projects Fund	Fire Apparatus Replacement Program	600,000
Capital Projects Fund	Capital Projects Reserve Fund	1,000,000
Hotel/Motel Tax Fund	Hotel/Motel Tax Revenues	1,554,000
		\$ 3,609,000



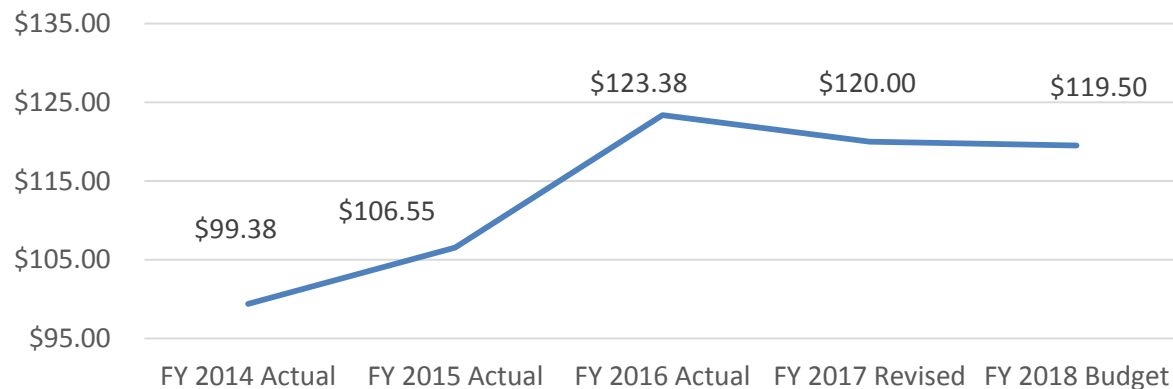
Road Use Tax Fund



Road Use Tax Fund Overview

- Road use tax is generated through motor vehicle registration fees, motor vehicle fuel taxes, an excise tax imposed on the rental of automobiles and a use tax on trailers
- The City receives funds from the state on a per capita basis to support construction, repair and maintenance of roadway infrastructure

Per Capita Revenues





Road Use Tax Fund Overview

- Economic instability and fluctuating fuel consumption and costs can result in immediate changes in funding per capita.
- Increased road use tax revenues:
 - 10-cent gas tax (effective March 1, 2015)
 - 2015 special census population of 54,598 (effective January 1, 2016)
 - 2020 census population of 68,000 (estimate)
- Expenditures support the following activities:
 - Street lighting
 - Roadway administration
 - Roadway maintenance
 - Snow and ice control
 - Traffic safety



Budget Highlights

- Roadway Administration
 - Comprehensive City-wide traffic signal timing and coordination plan update
 - Transfer funds to the capital projects fund for ADA compliance, street patching and annual street replacement
- Roadway Maintenance
 - Replace $\frac{3}{4}$ ton 4WD truck
 - Purchase stump grinding attachment
- Snow & Ice Control
 - Purchase dynamic snow wing
 - Replace single axle dump truck with snow plow



Police and Fire Retirement Fund



Police and Fire Retirement Fund

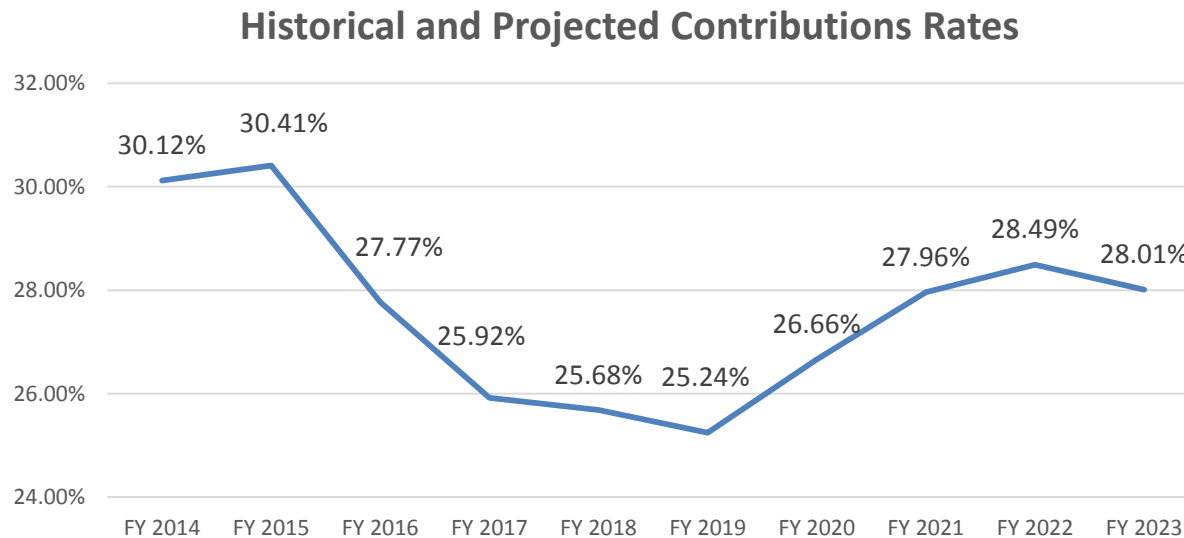
Overview

- Taxes generated by the Police and Fire Retirement levy pay for the City's obligation to the Municipal Fire & Police Retirement System of Iowa (MFPRSI) for police officer and full-time firefighter/paramedic pensions
- The proposed police and fire retirement tax levy is \$0.56
- MFPRSI contribution rate formula is established in *Code of Iowa* Chapter 411 and currently sets the employee rate at 9.40 percent.
- Each year the MFPRSI Board of Trustees sets the employer rate after completion of an annual actuarial valuation.



MFPRSI Contribution Rates

- The City's contribution rate, effective July 1, 2017, will be 25.68 percent, a slight decrease from the current rate.
- Recent actuarial projections show that future employer contribution rates could continue to decline gradually.





Budget Highlights

- Addition of new public safety employees
- Contribution rate is decreasing
- No change in benefit provisions
- Modification to the mortality table assumption
- Investment rate of return
- Unlikely legislative changes – restoration of 3.79% State contribution
- Stable property tax rate



Operating Funds Summary

- Funds classification and compensation study
- Funds new positions and promotions
- Continues transfer to the Capital Projects Reserve Fund
- Reduces borrowing for capital projects through the use of general fund and road use tax revenues
- Decrease in the overall property tax levy

Purpose	FY 2018	FY 2017	Change
General	\$ 6.79	\$ 6.79	\$ -
Aviation Authority	0.15	0.15	-
Police & Fire Retirement	0.56	0.56	-
Debt Service	4.15	4.25	(0.10)
Total Property Tax Levy	\$ 11.65	\$ 11.75	\$ (0.10)



Questions